

105TH CONGRESS
2D SESSION

H. R. 3241

To amend the Housing and Community Development Act of 1974 to authorize States to use community development block grant amounts provided for nonentitlement areas to offset the costs of State charity tax credits.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 1998

Mr. SOUDER (for himself, Mrs. MYRICK, and Mr. WATTS of Oklahoma) introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To amend the Housing and Community Development Act of 1974 to authorize States to use community development block grant amounts provided for nonentitlement areas to offset the costs of State charity tax credits.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Charitable Giving
5 Partnership Act”.

6 **SEC. 2. ELIGIBLE ACTIVITIES.**

7 Section 105(a) of the Housing and Community De-
8 velopment Act of 1974 (42 U.S.C. 5305(a)) is amended—

1 (1) in paragraph (23), by striking the period at
2 the end and inserting a semicolon; and

3 (2) by inserting after paragraph (23) the fol-
4 lowing new paragraph:

5 “(24) to the extent only that amounts for a
6 State are available under section 106(d)(8) for use
7 under this paragraph, payment to the State to sup-
8 plant general revenue losses incurred by the State
9 under a State law that provides, in the case of an
10 individual, for a credit against State income tax im-
11 posed for contributions made in cash by individuals
12 to any organization—

13 “(A) that is described in section 501(c)(3)
14 of the Internal Revenue Code of 1986;

15 “(B) that is exempt from tax under section
16 501(a) of the Internal Revenue Code of 1986;

17 “(C) that is organized under the laws of
18 the United States or of any State in which the
19 organization is qualified to operate;

20 “(D) that is required, or elects to be treat-
21 ed as being required, to file returns under sec-
22 tion 6033 of the Internal Revenue Code of
23 1986;

24 “(E) whose predominant activity is—

1 “(i) the provision of direct services to
2 individuals whose annual incomes generally
3 do not exceed 185 percent of the official
4 poverty line (as defined by the Office of
5 Management and Budget); or

6 “(ii) the provision of—

7 “(I) temporary donations of food
8 or meals, or

9 “(II) temporary shelter to home-
10 less individuals,

11 if the location and operation of such serv-
12 ices are such that the service provider may
13 reasonably conclude that the beneficiaries
14 of such services are predominantly individ-
15 uals described in clause (i);

16 “(F) for which not more than a total of 25
17 percent of the annual aggregate expenditures of
18 the organization are administrative expendi-
19 tures in support of direct services referred to in
20 subparagraph (E) or expenditures for purposes
21 of fundraising on behalf of the organization
22 providing direct services referred to in subpara-
23 graph (E); and

24 “(G) that does not engage in litigation on
25 behalf of any individual referred to in subpara-

1 graph (E), voter registration, or political orga-
 2 nizing; and”.

3 **SEC. 3. USE OF STATE AMOUNTS FOR NONENTITLEMENT**
 4 **AREAS.**

5 Section 106(d) of the Housing and Community De-
 6 velopment Act of 1974 (42 U.S.C. 5306(d)) is amended—

7 (1) in paragraph (2)—

8 (A) in subparagraph (A)—

9 (i) in the matter preceding clause (i),
 10 by striking “Amounts allocated under
 11 paragraph (1)” and inserting the following:
 12 “Any amounts allocated under paragraph
 13 (1) for a State that remain after amounts
 14 are made available for use under para-
 15 graph (8)”;

16 (ii) in clause (i), by striking “a State
 17 that” and inserting “the State, if the
 18 State”;

19 (B) by striking subparagraph (B) and in-
 20 serting the following new subparagraph:

21 “(B) If a State has not elected to distribute the
 22 amounts allocated under paragraph (1) for the State that
 23 remain after amounts are made available for use under
 24 paragraph (8), the Secretary shall distribute such
 25 amounts.”; and

1 (C) in subparagraphs (C) and (D), by
2 striking “under paragraph (1)” each place it
3 appears and inserting the following: “for the
4 State under paragraph (1) that remain after
5 amounts are made available for use under para-
6 graph (8)”;

7 (2) in paragraph (5) (as added by section 811
8 of the Housing and Community Development Act of
9 1992 (Public Law 102–550; 106 Stat. 3850)), by
10 striking “distribution in nonentitlement areas” and
11 inserting “use under this subsection”;

12 (3) by redesignating the second paragraph des-
13 ignated as paragraph (5) (as added by section 106(i)
14 of the Housing and Urban-Rural Recovery Act of
15 1983 (97 Stat. 1166)) and paragraph (6) as para-
16 graphs (6) and (7), respectively; and

17 (4) by adding at the end the following new
18 paragraph:

19 “(8) Of any amounts allocated under paragraph (1)
20 for a State for any fiscal year, the State may use not more
21 than 20 percent of such amounts for the activity under
22 section 105(a)(24), and the remainder of the amounts
23 shall be distributed in accordance with this subsection. In
24 the case of a State described in paragraph (2)(B), the Sec-
25 retary shall make such amounts available to the State

1 upon a determination that the use of such amounts com-
2 plies with the requirements under section 105(a)(24) and
3 this title.”.

4 **SEC. 4. STATEMENT OF COMMUNITY DEVELOPMENT OB-**
5 **JECTIVES.**

6 Section 104(a)(1) is amended by adding at the end
7 the following new sentence: “In the case of any State re-
8 ceiving amounts pursuant to section 106(d)(8), the state-
9 ment of projected uses of funds shall include a statement
10 of the proposed eligible activity under section 105(a)(24)
11 for which the amounts will be used and the percentage
12 of the allocation for the State under section 106(d)(1) to
13 be used for such activity.”.

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